

DRAFT (10-11-02)
ATTORNEY WORK PRODUCT

[Tariff provisions to be consistent with Stage 2 filing]

RTO WEST TARIFF

PART I.

COMMON SERVICE PROVISIONS

[Additional Substantive Provisions to be inserted later]

1. NATURE OF RTO WEST SERVICES

RTO West offers two categories of interconnection and integration transmission services--

-Generator Interconnection and Integration Service (see Part II) and Load Integration Service (see Part III). These two services provide, respectively, the right to put power on the RTO West grid, or take power off the grid for consumption by loads. These services do not provide use of the RTO West transmission grid to move power. Transmission Use service must be acquired separately. Generators and Loads not integrated into the RTO West Transmission System must satisfy the reciprocity requirements set forth in Section __ to obtain service.

RTO West also offers two categories of transmission services to move power--

Transmission Use Service (see Part IV) and Non-Converted Transmission Service (see Part V). Any Eligible Customer that is integrated into the RTO West Transmission System or that satisfies reciprocity requirements is entitled to access to the RTO West Transmission System to move power. All services are offered upon terms and conditions set forth in this Tariff. The descriptions of Transmission Services set forth in Parts II through V of this Tariff define each service to be offered by RTO West. Ancillary Services are also offered and their terms and conditions set forth in Part VI. The “Common Service Provisions” in this Part I set forth terms

and conditions common to all the services set forth in Parts II through VI. This section is intended to provide an overview of the types of services offered by RTO West in general language. In the event of any conflict between the general language in this section and the terms and conditions of service set forth in Parts II-VI below, the terms and conditions of service shall prevail.

2. DEFINITIONS

3. OPEN ACCESS SAME TIME INFORMATION SYSTEM (OASIS)

4. RECIPROCITY

5. BILLING AND PAYMENT

6. ACCOUNTING FOR RTO WEST'S USE OF THE TARIFF

7. REGULATORY FILINGS

8. LIABILITY AND INDEMNIFICATION

9. CREDITWORTHINESS

10. DISPUTE RESOLUTION

11. STANDARDS OF CONDUCT

PART II.

**GENERATOR INTERCONNECTION AND INTEGRATION
[SERVICE OR PROCEDURES]**

[Provisions to be inserted consistent with final Generator Interconnection NOPR]

PREAMBLE

- 1. NATURE OF GENERATOR INTERCONNECTION AND GENERATOR SERVICE INTEGRATION.**
- 2. RTO WEST STANDARDS FOR GENERATION INTERCONNECTION AND GENERATION INTEGRATION.**

PART III.

LOAD INTEGRATION SERVICE

[Provisions to be developed]

PREAMBLE

- 1. NATURE OF LOAD INTEGRATION SERVICE.**

PART IV.

TRANSMISSION USE SERVICE

PREAMBLE

The primary service RTO West will offer is Transmission Use Service. All Eligible Customers of RTO West may initiate a service request to take Transmission Use Service. Once an Eligible Customer qualifies as a Transmission Customer, Transmission Use Service provides use of the transmission capacity on the RTO West Transmission System. Transmission Customers may use transmission capacity of the RTO West Transmission System to transmit electric energy and make available electrical capacity to others.

1. NATURE OF TRANSMISSION USE SERVICE

1.1 Scope of Service. This service provides movement of energy and capacity over the RTO West Transmission System whether the use is for (i) delivery to loads within the RTO West (including loads within integrated Islands), whether from sources within RTO West or imports, (ii) exports off the grid from sources within RTO West, or (iii) through-service transferring energy to loads outside RTO West from sources outside RTO West.

1.2 RTO Responsibilities. RTO West shall operate the RTO West Controlled Transmission System in accordance with Good Utility Practice in order to provide all Customers with Transmission Use Service over the RTO West Controlled Transmission System.

1.3 Wholesale Transmission Use of Participating Transmission Owners' Electric Systems. [Provisions consistent with Stage 2 filing will be inserted.]

1.4 Term. The term of Transmission Use Service is as set forth in the Transmission Customer's Service Agreement. The minimum term shall be [one calendar day], and the

maximum term shall be specified in the Service Agreement consistent with any limitation on length of term set by the Commission [or appropriate Canadian regulator].

1.5 Service Priority. At least six months prior to the [date RTO West commences Transmission Use Service] customers with Pre-Existing Transmission Agreements and Obligations will be provided an opportunity to elect to convert their Pre-Existing Transmission Agreements and Obligations to Transmission Use Service. Thereafter, applications by Eligible Customers for Transmission Use Service will be processed on a first come, first served basis (i.e., in the chronological sequence in which each Eligible Customer requested a Service Agreement). Once an Eligible Customer becomes a Transmission Customer, all requests for Transmission Use Service, among Transmission Customer requests, have equal access to available transmission capacity--that is, all may submit schedules and subject to reliability constraints all schedules will be served--as set forth in Section __ below

2. SERVICE AVAILABILITY.

2.1 Conversion of Pre-Existing Transmission Agreements and Obligations. RTO West shall provide Transmission Use Service to any Customer who has agreed to convert its Pre-Existing Transmission Agreements and Obligations pursuant to an Agreement to Suspend. Such Customers may choose to receive either (i) Financial Transmission Options from RTO West or (ii) Catalogued Transmission Rights from RTO West.

2.1.1 Conversion in Exchange for Catalogued Transmission Rights. A Customer who chooses to receive Catalogued Transmission Rights may choose to pursue arbitration of issues related to the Catalogued Transmission Rights pursuant to [Exhibit P] if it is unable to agree with RTO West and the PTO that the Catalogued Transmission

Rights offered by the RTO and PTO accurately identify rights, consistent with RTO West's rules for cataloguing, that will enable RTO West to provide Transmission Use Service that fulfill the PTO's outstanding transmission obligations under any converted Pre-Existing Transmission Agreement and Obligation. The option to convert Pre-Existing Transmission Agreements and Obligations in exchange for Catalogued Transmission Rights shall be available for one (1) year after the Transmission Service Commencement Date.

3. INITIATION OF SERVICE.

Transmission Use Service may be initiated either by executing an Agreement to Suspend Pre-Existing Agreements or Obligations or by submitting an Application pursuant to the following procedures.

PART V.

NON-CONVERTED TRANSMISSION SERVICE

PREAMBLE

Non-Converted Transmission Service provides Participating Transmission Owners with transmission service necessary to fulfill the owner's obligations to its customers with pre-existing contracts that the customer has not converted to Transmission Use Service. Non-Converted Transmission Service is limited to the terms, conditions, and amount of transmission capacity identified in the pre-existing contract. If the pre-existing contract provides service only over certain facilities or between certain points on the Electrical System of the Participating

Transmission Owner, RTO West will impose comparable restrictions on Non-Converted Transmission Service.

This service is provided only to Participating Transmission Owner.

1. NATURE OF NON-CONVERTED TRANSMISSION SERVICE.

This service is provided only to Participating Transmission Owners to meet their obligations under Pre-Existing Obligations that have not been converted to Transmission Use Service. The Transmission Provider will provide this service by providing the Participating Transmission Owners with sufficient Catalogued Transmission Rights to meet their obligations under the unconverted Pre-Existing Obligations. The Participating Transmission Owner receives the right to schedule from and to points on the RTO West Transmission System in accordance with the Pre-Existing Obligations. This service is limited to the terms and conditions of service under the Pre-Existing Obligations, and may not be used to provide any additional service beyond that provided under the Pre-Existing Obligations. Service for load growth will be provided to the extent it is provided under the Pre-Existing Obligations. Customers of a Participating Transmission Owner that retain Pre-Existing Obligations must schedule their use of the system with the Participating Transmission Owner and pay the Participating Transmission Owner for the services rendered under the Pre-Existing Transmission Obligations.

If a customer of a Participating Transmission Owner that is an Eligible Customer desires to become a Transmission Customer of RTO West in exchange for either Catalogued Transmission Rights or Financial Transmission Options, the customer must initiate a service request for Transmission Use Service.

1.1 Term. The term of Non-Converted Transmission Service is as set forth in the Pre-Existing Obligations served by the Participating Transmission Owner. To the extent any of such Pre-Existing Obligations are suspended and converted to Transmission Use Service prior to the end of their term, Non-Converted Transmission Use Service will be suspended accordingly.

1.2 Service Priority. Prior to the Transmission Service Commencement Date, the Transmission Provider and the Participating Transmission Owner will identify the Catalogued Transmission Rights necessary to meet the Participating Transmission Owner's obligations under Pre-Existing Obligations. Beginning on the Transmission Service Commencement Date, the Participating Transmission Owner will be provided with sufficient Catalogued Transmission Rights to provide customers who elect to retain their Pre-Existing Obligations with continuing service under such Pre-Existing Obligations. Schedules submitted by the Participating Transmission Owner shall have no priority over any other schedules.

1.3 Service Agreements.

1.4 Scheduling of Non-Converted Transmission Service.

1.5 Curtailment or Interruption of Service.

2. SERVICE AVAILABILITY.

2.1 General Conditions. The Participating Transmission Owner shall provide sufficient Congestion Management Assets to the Transmission Provider to meet the Transmission Provider's obligations under the Service Agreement. The Participating Transmission Owner shall also cooperate with the Transmission Provider as necessary to ensure provision of Non-Converted Transmission Service over Participating Transmission Owner

facilities that are not under the Transmission Provider's operational control but are necessary to meet obligations under unconverted Pre-Existing Obligations.

2.2 Losses. Real Power Losses are associated with all transmission service. The Transmission Provider is not obligated to provide Real Power Losses. The Participating Transmission Owner taking Non-Converted Transmission Service is responsible for replacing losses associated with all transmission service as calculated by the Transmission Provider. The applicable Real Power Loss factors are as follows: [To be completed by the Transmission Provider].

2.3 Restrictions on Use of Service. Non-Converted Transmission Service is limited to the terms and conditions of service under the Pre-Existing Obligations, and may not be used by the Participating Transmission Owner to provide any additional service beyond that provided under the Pre-Existing Obligations.

3. INITIATION OF SERVICE.

3.1 Arrangements to be Completed Prior to Commencement of Service. The Participating Transmission Owner shall provide to the Transmission Provider, no later than ____ months prior to the Transmission Service Commencement Date, (1) the amount and type of Catalogued Transmission Rights necessary to meet its obligations under its Pre-Existing Obligations and (2) the Congestion Management Assets it must provide to the Transmission Provider to meet the aggregate of such obligations. The Transmission Provider shall determine the sufficiency of the Participating Transmission Owner's Congestion Management Assets to meet its obligations.

3.2 Filing of Service Agreement. The Transmission Provider will file the Service Agreement with the Commission in compliance with applicable Commission regulations.